FSA WEEKLY NEWS

We Help Put America Through School

THIS WEEK

Southern Association of Collegiate Registrars and Admissions Officers: On February 9, FSA representatives presented at the Southern Association of Collegiate Registrars and Admissions Officers Conference.

Georgia Default Prevention Task Force Meeting: On February 12, FSA representatives will attend the Georgia Default Prevention Task Force Meeting in Macon, GA to discuss default prevention projects for Georgia colleges and universities.

Coalition of African American Professional and Community Organizations: On February 13, FSA representatives will present to the Coalition of African American Professional and Community Organizations at the 4th Annual Career Expo and College Fair.

FSA IN THE FIELD

Chicago College Financial Aid Fair: On February 7, FSA representatives participated in the 4th Annual College Financial Aid Fair in Chicago. This event was sponsored by the Chicago Public Schools and is designed to introduce Chicago Public High School students to postsecondary education and the financial aid process.

College Goal Sunday: On February 8, FSA representatives served as site coordinators for College Goal Sunday, a yearly event spearheaded by the Kansas Association of Financial Aid Administrators (KASFAA). Students planning to attend college in the fall of 2004 received assistance in completing the FAFSAs and general information about the financial aid process.

Coalition of Higher Education Assistance Organizations Conference: Last week, FSA representatives presented at the Coalition of Higher Education Assistance Organizations Conference on the status of the Common Services for Borrowers performance based contract, its objectives and technical architecture.

National Council of Community and Education Partnerships (NCCEP) Training: From February 2-4, FSA conducted training at the NCCEP Capacity Building Workshop for GEAR UP Partnership Teams in Phoenix, Arizona. Over 70 GEAR UP professionals received training on the student financial aid process.

Default Management Training: From January 22-25, FSA's Student Aid Awareness (SAA) conducted

Default Management training at the Student Financial Aid Workshops sponsored by the Southeastern Association of Educational Opportunity Program Personnel Center (SAEOPP).

ESC School Summit and Training: FSA representatives presented XML 101 and discussed the basics of XML, Standards, the FSA XML Registry and Repository, and Advanced XML concepts at the ESC School Summit and the ESC School Training in Jacksonville Florida.

School Training: FSA representatives are conducting a series of "virtual" training sessions for schools on Direct Loan Tools via WebEx. This week, training was offered to staff at Lawrence University, the University of Toledo, and Bowling Green State University. In the coming weeks, training will be conducted for the following institutions: Southern State Community College, Oakland University, Saginaw Valley State University, Concordia University Wisconsin, and Parkland College.

Student Aid Awareness: On February 5, FSA representatives presented, in Spanish, at the Financial Aid Night for the Latino organizations in Providence, RI.

Student Aid on the Web: *Student Aid on the Web* set usage records for the month of January recording 1,493,049 visits, 26,183,747 hits, and 2,932,932 page views representing an increase over January 2003 of 448%, 201.8% and 157.9% respectively. My FSA, the *Student Aid on the Web* feature that offers students and their families a single source of *free* information on choosing a career, selecting a college and identifying resources to pay for higher education, recorded 4,366 new accounts in January, bringing the total number of new registered users to 19,576 accounts.

For the month of January, 93% of surveyed users indicated they were either a student or a parent or family member of a student. Almost 90% of the respondents indicated that they were very satisfied or satisfied with the overall organization of the site and the information provided and over 94% of those surveyed indicated that they would recommend *Student Aid on the Web* to friends, colleagues or others.

National Student Loan Data System (NSLDS) Financial Aid Professional (FAP) Web site: For the month of January 2004, NSLDS FAP Web site enrollment reached its highest level ever with over 1000 schools updating more than 94,000 enrollment records. The NSLDS FAP Web site is FSA's real time, online tool that allows schools to enroll students over the Web.

Customer Service Call Center Statistics: For the week ending January 31, the Customer Service Call Center received 339 inquiries, posted 12 items to FSA Tech and posted 13 items to IFAP.

Information for Financial Aid Professionals (IFAP.gov) Web site Usage: For the week ending January 31, www.ifap.ed.gov received 76,219 visits and 1.9 million hits.

Schools Portal Usage: For the week ending January 31, www.fsa4schools.ed.gov received 13,987 visits and 1.1 million hits.

Financial Partners Portal: For the week ending on January 30, the portal received almost 50,300 hits

and 2,367 visits. For the month of January, usage averaged 12,570 hits and 550 daily visits, a new record.

FSA PERFORMANCE METRICS

Application Activities through February 1, 2004: The Central Processing System (CPS) has processed 641,940 applications for the 2004-2005 cycle, a 3.0% increase over the 2003-2004 cycle.

Program Disbursements: Through the week ending January 31, annual Pell and Direct Loan disbursements reached $9.8 billion and $9.1 billion respectively for the 2003-2004 academic year. Through the week ending February 3, annual FFEL disbursements reached $16.2 billion for the 2003-2004 academic year. Through December, annual Direct Consolidation Loan disbursements reached $1.74 billion.

Total Default Recoveries: Through January 30, total FSA Default Recoveries for FY04 reached $437.9 million, an increase of 18% from this time last year. Total non-consolidation recoveries reached $369.9 million, an increase of 43%. Combined Recoveries from our private collection agency efforts have reached $364.7 million, up 18% over the same period in FY03.

Guarantor Recoveries through December 31, 2003 reached $850.8 million, an increase of 12.8% from December 2002. Total guarantor non-consolidation recoveries were at $368.7 million, an increase of 11.6%. Total combined FSA and Guarantor recoveries through December 31, 2003, were $1.17 billion, an increase of 13.9% from the first quarter of FY03. Total combined FSA and Guarantor non-consolidation recoveries reached $640.7 million, an increase of 22.5%.

1-800-4-FED-AID through January 31, 2004: Year to date, the Federal Student Aid Information Center (FSAIC) has received 733,077 calls, a 9.4% decrease over last year. Service levels have increased with 99.0% of calls completed, a 0.2% increase over last year, and the average speed to answer reduced by 72.5% over last year to 2.2 seconds.

Direct Loan Servicing Call Center Phone Activity through January 30, 2004: Year to date, the Direct Loan Servicing Centers received 547,070 calls to the Interactive Voice Response System, a decrease of 8.96% from 2003. Of those calls received, Borrower Services representatives handled 406,547, a decrease of 11.28% from 2003. The average speed of answer was 2.59 seconds, a decrease of 63.66% from 2003. The resolve rate for the Voice Response System was 25.55%, an increase of 8.94% from 2003. The Abandoned Call Rate was 0.11%, a decrease of 62.69 % from 2003.

FSA INDUSTRY ISSUES

Program Integrity: For the first quarter of FY 04, SEC conducted a comprehensive review of 922 unduplicated schools, or 15% of the total population, covering 17% of Title IV funding. Twenty-six schools received an on-site program review and nine schools received an on-site technical assistance visit.

Security & Privacy - Validation of remediation: FSA CIO is developing requirements for an independent source to validate corrective actions for security-related discrepancies. This process is a requirement to close Corrective Action Plan (CAP) items and remove them from OMB reporting. Further regression testing will occur for high-risk and repeated findings. This initiative is a forerunner to a Departmental initiative to eliminate security as a reportable condition.

Security & Privacy - Contract language for IT security: FSA drafted contract language for IT security that could be included in all contracts. Current contracts do not address security requirements for contractors to utilize during system development or operational support. This concern results in contract modifications or negotiations that hinder the timeliness for implementing contracts as well as security. The current process could add costs not taken into account during contract award. FSA will insert suggested contract language into the FSA/OCIO <u>Online Security Center</u> on FSANet, and will present the solution to the Department's Critical Systems' Workgroup.

Pell Operations, Status of Allotments: The Budget Service allotted $2,619,005,936 to Pell Operations from the FY 2004 Appropriations to fund the shortfall in the 2003-2004 school year. We estimate the award year cost at approximately $12.7 billion and this allotment should offset most of the shortfall.

Front End Business Integration Meeting: On February 2 & 3, FSA representatives met with Bank One in Chicago to gather information on imaging, data processing, and customer service for FSA's Front End Business Integration initiative.

Government Agencies meet to discuss lender performance: FSA representatives attended a meeting with representatives from ED, HUD, SBA and USDA to discuss how sharing lender performance history might help identify high-risk lenders and reduce overall risk to the government. Additional meetings are being scheduled and updates will be provided.

FSА<u>*Now*</u>: The January edition of FSA*Now* is out on a desktop near you. Look for it on **FSAnet**!

IN THE WEEKS AHEAD

Massachusetts State Tax Refund Offset Program: Next week, FSA is meeting with the Massachusetts Governor's Chief Policy Director and American Student Assistance (ASA), the state's guaranty agency, to discuss the state tax refund offset program. This program entitled the Department to garnish tax refunds of delinquent Massachusetts student loan borrowers. A follow-up meeting will then be held with the Massachusetts Higher Education Chancellor and General Counsel to further discuss and perhaps resolve the state tax refund offset issue.

Presentations at Regional and State Financial Aid Administrator Conferences: FSA representatives will be making presentations at the following state financial aid administrator conferences in the coming weeks:

February 15-19   Southern Association of Student Financial Aid Administrators Annual Conference

February 22-24   Pacific Islands Financial Aid Association Annual Conference

School Partnership: On February 18, San Francisco Case Team members will participate in the semi-annual California Partnership Meeting. The purpose of the meeting is to continue discussions with partner agencies regarding oversight of California schools.

EDExpress Application Processing Training: On February 24-26, FSA representatives will attend the Train-the-Trainers session to prepare to conduct EDExpress Application Processing Training for schools around the country.

National Council of Higher Education Loan Programs (NCHELP): From March 14 - 17, FSA representatives will make several presentations at the NCHELP Conference in Myrtle Beach, SC.

Did we forget something? If you have additional news to report, please e-mail FSA Communications